



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Opening Statement of Sen. Chuck Grassley
Consideration of the *Miscellaneous Trade and Technical Corrections Act of 2003*
Wednesday, Feb. 26, 2003

Over the past several weeks, we have been working to complete some unfinished business from the 107th Congress. Just recently we held a hearing on a number of Bush administration nominees who were up for confirmation last year. I am hopeful we can have a vote on those nominees soon. With today's mark-up of the miscellaneous trade bill, we are taking another step toward completing some unfinished business from the 107th Congress. The committee originally planned to mark up this bill on Sept. 26, 2002. As most of you know, that mark-up was postponed, and we were unable to turn our attention to this bill until today.

The bill we are considering today is basically the same bill that we prepared with Senator Baucus' staff last year. The bill contains provisions to suspend duties on eligible products, miscellaneous trade-related items, and technical corrections to the *Trade and Development Act of 2002*. The vast majority of these provisions are drawn largely from member-introduced legislation. This legislation does three very important things. One, it enables U.S. companies to more efficiently produce goods, which allows them to be more competitive and function more cost efficiently. Two, it helps create jobs for American workers. And, three it reduces costs for U.S. consumers. The bill also contains a number of notable provisions.

The bill extends Generalized System of Preferences (GSP) benefits for certain hand-made rugs from GSP beneficiary countries. The primary beneficiary is Pakistan; other countries that would benefit from the bill include Turkey, Nepal, Egypt, and Morocco. The bill would significantly increase Pakistan's benefits under GSP and provide a much-needed benefit to an important ally in the war on terrorism. The bill also contains an important provision that restores normal trade relations status to Serbia and Montenegro. I will note here that the bill actually restores normal trade relations to Yugoslavia. However, just recently Yugoslavia became officially known as Serbia and Montenegro. So we will be making technical changes to the bill to reflect this fact. There are also included several provisions designed to enhance the international competitiveness of the U.S. insular possessions. Finally, there is legislation which would enhance and strengthen the protection of U.S. intellectual property rights abroad.

Every two years the Ways and Means and Finance committees request public comment on all proposed duty suspensions or reductions. The International Trade Commission notifies potential U.S. producers to provide them with an opportunity to comment on the proposed duty suspension. The United States Trade Representative, the Department of Commerce, and the U.S. Customs Service are also provided an opportunity to comment. If a reasonable objection is made to including the product or if a domestic company manufactures the product, it is generally dropped from the bill. Thus, virtually every one of the duty suspensions and other provisions has gone through a thorough and transparent vetting process. I would ask today that members not offer any amendments to this bill that have not gone through this process. We hope to consider another miscellaneous tariff bill later this Congress. At that time we can consider new items for inclusion. I would also like to emphasize that we need to get this bill done. There are a lot of provisions here that have been bottled up for many months. In preparing the bill we have tried to make sure it does not contain any controversial items. I have done everything I can to make this a bipartisan bill and a bipartisan process. In that regard, I would ask that members respect the process and not seek to amend this bill with controversial items. Adding controversial items to the bill will not ease the passage of those provisions, but will, more likely than not, kill this bill. So I hope I can have your cooperation.